Billing

20. Measurement	
Billing Timeliness (Wholesale Bill)	
Definition:	
Billing Timeliness measures the length of time from the billing date to the time it is sent or transmitted (made available) to the CLECs.	
Exclusions:	
Excludes Weekends and Holidays	
Business Rules:	
The transmission date is used to gather the data for the reporting period. The measure counts the number of workdays between the bill day and transmission date for each bill.	
Levels of Disaggregation:	
None	
Calculation:	**Report Structure:**
(Count of bills transmitted on time ÷ total number of bills released) * 100	Reported for CLEC and all CLECs
Benchmark:	
95% within 6th workday	

Attachment A-3

CALCULATION OF PARITY AND BENCHMARK PERFORMANCE and LIQUIDATED DAMAGES AND VOLUNTARY PAYMENTS

Z-Tests

- Modified Z-tests, as outlined below, will be used to determine parity when comparing SWBT's and the CLEC's results for the difference between two means or two percentages, or the difference in two proportions.

- The modified Z-tests are applicable if the number of data points is greater than 30 for averages or means. For measurements with less than 30 data points SWBT may use the permutations test or Alternative-1 described under "Qualifications to use Z-Test heading below.

- Parity exists when the measured results in a single month (whether in the form of means, percents, or proportions) for the same measurement, at equivalent disaggregation, for both SWBT and the CLEC are used to calculate a Z-test statistic and the resulting value is no greater than the critical Z-value as discussed below.

- For parity measurement results that are expressed as averages or means:

  $Z = (DIFF) / \delta_{DIFF}$

  Where;
  $DIFF = M_{ILEC} - M_{CLEC}$
  M_{ILEC} = ILEC Average
  M_{CLEC} = CLEC Average
  $\delta_{DIFF} = SQRT [\delta^2_{ILEC} (1/ n_{CLEC} + 1/ n_{ILEC})]$
  δ^2_{ILEC} = Calculated variance for ILEC.
  n_{ILEC} = number of observations or samples used in ILEC measurement
  n_{CLEC} = number of observations or samples used in CLEC measurement

- For benchmark measurement results that are expressed as averages or means:

  $z = (DIFF) / \delta_{DIFF}$

  Where;
  $DIFF = Benchmark - M_{CLEC}$
  M_{CLEC} = CLEC Average
  $\delta_{DIFF} = SQRT [\delta^2_{CLEC} (1/ n_{CLEC})]$
  n_{CLEC} = number of observations or samples used in CLEC measurement

For parity measurement results that are expressed as percentages or proportions:

Step 1:

$$\rho = \frac{(n_{ILEC}P_{ILEC} + n_{CLEC}P_{CLEC})}{n_{ILEC} + n_{CLEC}}$$

Step 2:

$$\sigma_{PILEC-PCLEC} = \text{sqrt}[[\rho(1-\rho)]/n_{ILEC} + [\rho(1-\rho)]/n_{CLEC}]$$

Step 3:

$$Z = (P_{ILEC} - P_{CLEC})/\sigma_{PILEC-PCLEC}$$

Where: n = Number of Observations
P = Percentage or Proportion

- For benchmark measurement results that are expressed as percentages or proportions:

$$Z = (\text{benchmark} - P_{CLEC})/(\text{sqrt}(\text{benchmark}*(1-\text{benchmark})/n_{clec}))$$

Where: n = Number of Observations
P_{clec} = Percentage or Proportion for CLEC

- For measurement results that are expressed as rates or a ratio:

$$z = (DIFF) / \delta_{DIFF}$$

Where;
$DIFF = R_{ILEC} - R_{CLEC}$
$R_{ILEC} = num_{ILEC}/denom_{ILEC}$
$R_{CLEC} = num_{CLEC}/denom_{CLEC}$
$\delta_{DIFF} = SQRT\ [R_{ILEC}\ (1/denom_{CLEC} + 1/\ denom_{ILEC})]$

Qualifications to use Z-Test:

- The proposed Z- tests are applicable to reported measurements that contain 30 or more data points.

- For measurements where the performance delivered to CLEC is compared to SWBT performance and for which the number of data points are 29 or less, The following Alternative may be used:

Alternative 1:

1. For measurements that are expressed as averages, performance delivered to a CLEC for each observation shall not exceed the ILEC averages plus the applicable critical Z-value. If the CLEC's performance is outside the ILEC average plus the critical Z-value and it is the second consecutive month, SWBT can utilize the Z-test as applicable for sample sizes 30 or greater or the permutation test to provide evidence of parity. If SWBT uses the Z-test for samples under 30, the CLEC can independently perform the permutation test to validate SWBT's results.

2. For measurements that are expressed as percentages, the percentage for CLEC shall not exceed ILEC percentage plus the applicable critical Z-value. If the CLEC's performance is outside the ILEC percentage plus the critical Z-value and it is the second consecutive month, SWBT can utilize the Z-test as applicable for sample sizes 30 or greater or the permutation test to provide evidence of parity. If SWBT uses the Z-test for samples under 30, the CLEC can independently perform the permutation test to validate SWBT's results.

Alternative 2:Permutation analysis will be applied to calculate the z-statistic using the following logic:

1. Choose a sufficiently large number T.
2. Pool and mix the CLEC and ILEC data sets
3. Randomly subdivide the pooled data sets into two pools, one the same size as the original CLEC data set (n_{CLEC}) and one reflecting the remaining data points, (which is equal to the size of the original ILEC data set or n_{ILEC}).
4. Compute and store the Z-test score (Z_S) for this sample.
5. Repeat steps 3 and 4 for the remaining T-1 sample pairs to be analyzed. (If the number of possibilities is less than 1 million, include a programmatic check to prevent drawing the same pair of samples more than once).
6. Order the Z_S results computed and stored in step 4 from lowest to highest.
7. Compute the Z-test score for the original two data sets and find its rank in the ordering determined in step 6.
8. Repeat the steps 2-7 ten times and combine the results to determine P = (Summation of ranks in each of the 10 runs divided by 10T)
9. Using a cumulative standard normal distribution table, find the value Z_A such that the probability (or cumulative area under the standard normal curve) is equal to P calculated in step 8.
10. Compare Z_A with the desired critical value as determined from the critical Z table. If Z_A > the designated critical Z-value in the table, then the performance is non-compliant.

K Value and Critical Z-Test Value

- A K value is calculated to mitigate random variation. SBC will pay liquidated damages on measurements in excess of the K value.

- The following table will be used for determining the Critical Z-value for each measure, as well as the K values referred to below based on the total number of measures that are applicable to a CLEC in a particular month. The table can be extended to include CLECs with fewer performance measures.

Critical Z - Statistic Table

Number of Performance Measures	K Values	Critical Z-value
10-19	1	1.79
20-29	2	1.73
30-39	3	1.68
40-49	3	1.81
50-59	4	1.75
60-69	5	1.7
70 -79	6	1.68
80 - 89	6	1.74
90 - 99	7	1.71
100 - 109	8	1.68
110 -119	9	1.7
120 - 139	10	1.72
140 - 159	12	1.68
160 - 179	13	1.69
180 - 199	14	1.7
200 - 249	17	1.7
250 - 299	20	1.7
300 - 399	26	1.7
400 - 499	32	1.7
500 - 599	38	1.72
600 - 699	44	1.72
700 - 799	49	1.73
800 - 899	55	1.75
900 - 999	60	1.77
1000 and above	Calculated for Type-1 Error Probability of 5%.	Calculated for Type-1 Error Probability of 5%

- The applicable K value is determined based upon the total number of measures with a sample size of 10 or greater that are required to be reported to a CLEC. For any performance measurement, each disaggregated category for which there is a minimum of 10 data points constitutes one "measure" for purposes of calculating the K value. Before calculating the liquidated damages that would apply per measurement, exclude the measurements equivalent to the K value as follows:

  - Determine the number of measures with a sample size greater than 10 that are "non-compliant" for the individual CLEC for the month, applying the parity test and benchmark provisions provided for above.

  - Sort all measures having non-compliant classification with a sample size greater than 10 in ascending order based on the number of data points or transactions used to develop the performance measurement result by damage level (i.e. High, Medium, Low). Exclude the first "K" measures designated Low on Schedule-2, starting with the measurement results having the fewest number of underlying data points greater than 10. If all Low measurement results with a non-compliant designation are excluded before "K" is exceeded, then the exclusion process proceeds with the Medium measurement results and thereafter the High measurement results. If all Low, Medium and High measurements are excluded, then those measurements with sample sizes less than 10 may be excluded until "K" measures are reached.

  - For the remaining non-compliant measures that are above the K number of measures, the liquidated damages per occurrence or per measurement are calculated as described further below.

Methods Of Calculating Per Occurrence Liquidated Damages Payments

- **Measures for Which the Reporting Dimensions are Averages or Means.**

  Step 1: Calculate the average or the mean for the measure for the CLEC that would yield the critical Z-value. Use the same denominator as the one used in calculating the Z-statistic for the measure.

  Step 2: Calculate the percentage difference the between the actual average and the calculated average.

- **Measures for Which the Reporting Dimensions are Percentages.**

  Step 1: Calculate the percentage for the measure for the CLEC that would yield the critical Z-value. Use the same denominator as the one used in calculating the Z-statistic for the measure.

  Step 2: Calculate the difference between the actual percentage for the CLEC and the calculated percentage.

  Step 3: Multiply the total number of data points by the difference in percentage calculated in the previous step and the per occurrence dollar amount taken from the Liquidated Damages Payments Table to determine the applicable liquidated damages payments for the given month for that measure.

- **Measures for Which the Reporting Dimensions are Ratios or Proportions.**

  Step 1: Calculate the ratio for the measure for the CLEC that would yield the critical Z-value. Use the same denominator as the one used in calculating the Z-statistic for the measure.

  Step 2: Calculate the percentage difference between the actual ratio for the CLEC and the calculated ratio.

  Step 3: Multiply the total number of data points by the percentage calculated in the previous step and the per occurrence dollar amount taken from the Liquidated Damages Payments Table to determine the applicable liquidated damages payments for the given month for that measure.

Methods Of Calculating Per Occurrence Voluntary Payments

- **Measures for Which the Reporting Dimensions are Averages or Means.**

  Step 1: Calculate the average or the mean for the measure for the CLEC that would yield the Critical Z-value for the third consecutive month. Use the same denominator as the one used in calculating the Z-statistic for the measure. (For benchmark measures, substitute the benchmark value for the value calculated in the preceding sentences).

  Step 2: Calculate the percentage difference between the actual average and the calculated average for the third consecutive month.

Step 3: Multiply the total number of data points by the percentage calculated in the previous step. Calculate the average for three months and multiply the result by $500, $300, and $200 for Measures that are designated as High, Medium, and Low respectively; to determine the applicable assessment payable to the a public interest fund for that measure.

- **Measures for Which the Reporting Dimensions are Percentages.**

Step 1: Calculate the percentage for the measure for the CLEC that would yield the Critical Z-value for the third consecutive month. Use the same denominator as the one used in calculating the Z-statistic for the measure. (For benchmark measures, substitute the benchmark value for the value calculated in the preceding sentences).

Step 2: Calculate the difference between the actual percentage for the CLEC and the calculated percentage for each of the three non-compliant months.

Step 3: Multiply the total number of data points by the percentage calculated in the previous step. Calculate the average for three months and multiply the result by 500, $300, and 200 for measures that are designated High Medium, and low respectively: to determine the applicable assessment payable to a public interest fund.

- **Measures for Which the Reporting Dimensions are Ratios or Proportions.**

Step 1: Calculate the ratio for the measure for the CLEC that would yield the Critical Z-value for the third consecutive month. Use the same denominator as the one used in calculating the Z-statistic for the measure. (For benchmark measures, substitute the benchmark value for the value calculated in the preceding sentences).

Step 2: Calculate the percentage difference between the actual ratio for the CLEC and the calculated ratio for each month of the non-compliant three-month period.

Step 3: Multiply the total number of service orders by the percentage calculated in the previous step for each month. Calculate the average for three months and multiply the result by $500, $300, and $200 for measures that are designated as High, Medium, and Low respectively; to determine the applicable assessment for that measure.

Methods Of Calculating Per Measurement Liquidated Damages/Voluntary Payments

- Per measurement liquidated damages/voluntary payments are payable as detailed in the Liquidated Damages/Voluntary Payments Table below if the actual Z-value exceeds the critical Z-value.

ATTACHMENT A-4

LIQUIDATED DAMAGES TABLE FOR TIER-1 MEASURES

PER OCCURRENCE						
Measurement Group	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
High	$150	$250	$500	$600	$700	$800
Medium	$ 75	$150	$300	$400	$500	$600
Low	$ 25	$ 50	$100	$200	$300	$400

PER MEASURE/CAP						
Measurement Group	Month 1	Month 2	Month3	Month4	Month 5	Month 6
High	$25,000	$50,000	$75,000	$100,000	$125,000	$150,000
Medium	$10,000	$20,000	$30,000	$40,000	$50,000	$60,000
Low	$ 5,000	$10,000	$15,000	$20,000	$25,000	$30,000

VOLUNTARY PAYMENTS TABLE FOR TIER-2 MEASURES

Per Occurrence

Measurement Group	
High	$500
Medium	$300
Low	$200

Per Measure/Cap

Measurement Group	
High	$75,000
Medium	$30,000
Low	$20,000

MEASUREMENT LIST										
	FPP	Benchmark/Parity	Measurement Name	Tier I			Tier II			Pay
				Y1	Y2	Y3	Y1	Y2	Y3	
OSS	1	B	% FOC received in 'X' hours	L	L	L	M	M	M	obs/cap
Provisioning	2a	P	% SBC caused missed due dates - POTS	H	H	H	H	H	H	obs
	2b	P	% SWBT caused missed due dates - Design	H	H	H	H	H	H	obs
	2c	P	% SWBT caused missed due dates	H	H	H	H	H	H	obs
	2d	B	% Mechanized Completions Returned Within one Day Of Work Completion	L	L	L	L	L	L	obs
	3a	P	Percent Trouble Report Within 10 Days (I-10) of Installation - POTS	H	H	H	H	H	H	obs
	3b	P	Percent Installation Reports (Trouble Reports) Within 30 Days (I-30) of Installation - Design	H	H	H	H	H	H	obs
	3c	P	Percent Installation Reports (Trouble Reports) Within 30 Days (I-30) of Installation - UNE	H	H	H	H	H	H	obs
	4a	P	Mean Installation Interval - POTS	H	H	H	H	H	H	obs
	4b	P	Average Installation Interval - POTS	H	H	H	H	H	H	obs
	4c	B	% Installation completed in 'X' days - UNE	M	H	H	M	H	H	obs
	5a	P	Average Delay Days For SWBT Caused Missed Due Dates - POTS	M	M	M	*	*	*	obs
	5b	P	Average Delay Days For SWBT Caused Missed Due Dates - Design	M	M	M	*	*	*	obs
	5c	P	Average Delay Days For SWBT Caused Missed Due Dates - UNE	M	M	M	*	*	*	obs
	6	P	Average installation interval - DSL	H	H	H	H	H	H	obs
	7	P	Average response time for loop makeup information	L	L	L	M	M	M	obs
Maintenance	8a	P	Percent Missed Repair Commitments - POTS	H	H	H	H	H	H	obs
	8b	P	Percent Missed Repair Commitments - UNE	H	H	H	H	H	H	obs
	9a	P	Percent Repeat Reports - POTS	H	H	H	H	H	H	obs
	9b	P	Percent Repeat Reports - Design	H	H	H	H	H	H	obs
	9c	P	Percent Repeat Reports - UNE	H	H	H	H	H	H	obs
	10a	P	Receipt To Clear Duration - POTS	H	H	H	H	H	H	obs
	10b	P	Mean Time To Restore - Design	H	H	H	H	H	H	obs
	10c	P	Mean Time To Restore - UNE	H	H	H	H	H	H	obs
	11a	P	Trouble Report Rate - POTS	H	H	H	H	H	H	obs
	11b	P	Failure Frequency - Design	L	L	L	*	*	*	obs
	11c	P	Trouble Report Rate - UNE	H	H	H	H	H	H	obs
Interconnection	12	B	Average Trunk Restoration Interval for Service Affecting Trunk Groups	L	H	H	M	M	H	obs
Local Number Portability	13	B	% Pre-mature Disconnects (Coordinated Cutovers)	L	H	H	M	M	H	obs
OSS	14	B	OSS Interface Availability	*	*	*	M	M	H	meas
	15	B	Average Response Time for OSS preorder intefaces	L	L	L	M	M	M	obs/cap
	16	P	Order Process Percent Flow Through	L	L	L	H	H	H	obs/cap
	17	B	Percent Trunk Blockage	M	H	H	M	H	H	obs/cap
	18	B	Common Transport Trunk Blockage	*	*	*	M	M	H	meas
Collocation	19	B	% missed collocation due date	M	H	H	M	M	H	obs
Billing	20	B	Billing Timeliness	L	L	L	M	M	H	obs/cap
* NO damages apply										

ATTACHMENT A-6

YEAR 1

State	Tier 1 ($M) Annual	Tier 1 ($M) Monthly	Tiers 2 & 3 ($M) Annual	Tiers 2 & 3 ($M) Monthly
Arkansas	$ 1.11	$ 0.09	$ 1.11	$ 0.09
California	$ 21.07	$ 1.76	$ 21.07	$ 1.76
Connecticut	$ 2.55	$ 0.21	$ 2.55	$ 0.21
Illinois	$ 8.11	$ 0.68	$ 8.11	$ 0.68
Indiana	$ 2.59	$ 0.22	$ 2.59	$ 0.22
Kansas	$ 1.57	$ 0.13	$ 1.57	$ 0.13
Michigan	$ 6.28	$ 0.52	$ 6.28	$ 0.52
Missouri	$ 2.90	$ 0.24	$ 2.90	$ 0.24
Nevada	$ 0.41	$ 0.03	$ 0.41	$ 0.03
Ohio	$ 4.75	$ 0.40	$ 4.75	$ 0.40
Oklahoma	$ 1.88	$ 0.16	$ 1.88	$ 0.16
Texas	$ 10.93	$ 0.91	$ 10.93	$ 0.91
Wisconsin	$ 2.52	$ 0.21	$ 2.52	$ 0.21
	$ 66.67	$ 5.56	$ 66.67	$ 5.56

Total Annual Cap (Tier 1+Tier 2 +Tier 3) = $200.00 Million

ATTACHMENT A-6

YEAR 2

State	Tier 1 ($M) Annual	Tier 1 ($M) Monthly	Tiers 2 & 3 ($M) Annual	Tiers 2 & 3 ($M) Monthly
Arkansas	$ 1.67	$ 0.14	$ 1.67	$ 0.14
California	$ 31.61	$ 2.63	$ 31.61	$ 2.63
Connecticut	$ 3.82	$ 0.32	$ 3.82	$ 0.32
Illinois	$ 12.17	$ 1.01	$ 12.17	$ 1.01
Indiana	$ 3.89	$ 0.32	$ 3.89	$ 0.32
Kansas	$ 2.35	$ 0.20	$ 2.35	$ 0.20
Michigan	$ 9.42	$ 0.79	$ 9.42	$ 0.79
Missouri	$ 4.35	$ 0.36	$ 4.35	$ 0.36
Nevada	$ 0.61	$ 0.05	$ 0.61	$ 0.05
Ohio	$ 7.13	$ 0.59	$ 7.13	$ 0.59
Oklahoma	$ 2.82	$ 0.23	$ 2.82	$ 0.23
Texas	$ 16.39	$ 1.37	$ 16.39	$ 1.37
Wisconsin	$ 3.78	$ 0.31	$ 3.78	$ 0.31
	$100.00	$ 8.33	$100.00	$ 8.33

Total Annual Cap (Tier 1+Tier 2+Tier 3) = $300.00 Million

ATTACHMENT A-6

YEAR 3

	Tier 1 ($M)		Tiers 2 & 3 ($M)	
State	Annual	Monthly	Annual	Monthly
Arkansas	$ 2.78	$ 0.23	$ 2.78	$ 0.23
California	$ 52.68	$ 4.39	$ 52.68	$ 4.39
Connecticut	$ 6.37	$ 0.53	$ 6.37	$ 0.53
Illinois	$ 20.28	$ 1.69	$ 20.28	$ 1.69
Indiana	$ 6.48	$ 0.54	$ 6.48	$ 0.54
Kansas	$ 3.92	$ 0.33	$ 3.92	$ 0.33
Michigan	$ 15.70	$ 1.31	$ 15.70	$ 1.31
Missouri	$ 7.25	$ 0.60	$ 7.25	$ 0.60
Nevada	$ 1.02	$ 0.08	$ 1.02	$ 0.08
Ohio	$ 11.88	$ 0.99	$ 11.88	$ 0.99
Oklahoma	$ 4.70	$ 0.39	$ 4.70	$ 0.39
Texas	$ 27.31	$ 2.28	$ 27.31	$ 2.28
Wisconsin	$ 6.30	$ 0.52	$ 6.30	$ 0.52
	$166.67	$ 13.89	$166.67	$ 13.89

Total Annual Cap (Tier 1+Tier 2+Tier 3) = 500.00 Million

ATTACHMENT B

MODEL COLLOCATION ATTESTATION REPORT

DRAFT

Independent Accountant's Report

SBC Communications Inc. Board of Directors
and
Federal Communications Commission

We have examined SBC Communications Inc.'s (the Company) assertion that the Company has policies and procedures (as described in the attachment) in place as of June xx, 1999 regarding compliance with the Federal Communications Commission's (FCC) collocation requirements. The FCC's collocation requirements are contained in the FCC's March 31, 1999 First Report and Order and Further Notice of Proposed Rulemaking on Deployment of Wireline Services Offering Advanced Telecommunications Capability (CC Docket No. 98-147). The Company is responsible for the design, distribution and monitoring of such policies and procedures in place upon which the Company's assertion to the FCC is based.

Our examination was made in accordance with standards established by the American Institute of Certified Public Accountants and included both a determination of the existence and distribution of such policies and procedures upon which the Company's assertion is based, as well as such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, management's assertion that policies and procedures as described above are in place as of June xx, 1999 is fairly stated in all material respects.

This report is intended solely for the information and use of the Board of Directors and management of the Company and the FCC and should not be used for any other purpose.

_____
Signature of Independent Auditor

_____
Date

ATTACHMENT C

CHARGES FOR xDSL CONDITIONING SERVICES

	Recurring Charge	Non-Recurring Charge Per Segment		
		0-17.5 KFT**	17.5-36 KFT	36-54 KFT
Removal of all Repeaters	N/A	$360.00	$360.00	$360.00
Removal of all Bridged Taps*	N/A	$600.00	$600.00	$600.00
Removal of all Load Coils	N/A	$980.00	$980.00	$980.00

* Charge applies only to segments in which bridged tap exists.

** Loops less than 12,000 feet, based on theoretical loop length, that do not meet SBC/Ameritech's design criteria for its tariffed xDSL services but that could be conditioned to meet the minimum requirements defined in the associated SBC/Ameritech technical publications through the removal of load coils, bridged taps, and/or repeaters will be so conditioned at no charge to CLEC.

ATTACHMENT D

STAMP & RETURN

February 9, 1999

RECEIVED FEB - 9 1999

BY COURIER

Lawrence E. Strickling, Esq.
Chief
Common Carrier Bureau
Federal Communications Commission
1919 M Street, N.W., Room 500
Washington, D.C. 20554

Dear Mr. Strickling:

This responds to your request for confirmation of SBC Communications Inc.'s position on the provision of network elements following the U.S. Supreme Court decision in Iowa Utilities Board. We understand the industry faces a period of potential uncertainty in light of the vacation of Rule 319. Accordingly, in an effort to assist the Commission and the industry, SBC makes the following commitment during this interim period.

Notwithstanding the Supreme Court's vacation of Rule 319, which identified what network elements should be made available by ILECs, SBC will continue to provide network elements in accordance with its existing local interconnection agreements until the parties mutually agree to alternative provisions or alternative provisions are approved through the regulatory and judicial process. However, in the event other parties to our existing interconnection agreements attempt to invalidate these agreements based upon Iowa Utilities Board, we reserve the right to respond as appropriate without regard to this commitment. Furthermore, pending the Commission's proceeding on remand regarding network elements, SBC will continue to negotiate in good faith with any party seeking to enter into a new local interconnection agreement.

If you have any questions, please call me.

Sincerely,

Zeke Robertson

Dale (Zeke) Robertson
Senior Vice President
SBC Telecommunications, Inc.

Sandy Kinney

Sandy Kinney
President-Industry Markets
SBC Telecommunications, Inc.

30 South Wacker Drive
Suite 3800
Chicago, IL 60606
Office 312/750-5202
Fax 312/207-8136

Barry K. Allen
Executive Vice President

Ameritech.

February 11, 1999

Mr. Lawrence E. Strickling
Chief, Common Carrier Bureau
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

Dear Larry:

In response to the Commission's request, this will confirm Ameritech's position regarding its provision of unbundled network elements. When the Supreme Court's January 25, 1999 decision in AT&T Corporation et al. v. Iowa Utilities Board becomes effective, Ameritech is willing to maintain the provisioning status quo that existed before the Court's decision so long as the other parties to its interconnection agreements do the same.

In this regard, Ameritech will not exercise its right to eliminate access to network elements in its existing agreements; it will continue to provide, in accordance with its existing agreements (and any Section 252(i) adoption thereof), access to those network elements that Ameritech provided before the Supreme Court's decision; and it will continue to negotiate in good faith, in accordance with Section 252(a), access to previously provisioned network elements at rates and on terms and conditions comparable to those contained in Ameritech's existing interconnection agreements. Ameritech will maintain this status quo until the Commission determines, upon remand, which unbundled network elements must be provided pursuant to Section 251(c)(3) in accordance with the requirements of Section 251(d)(2).

This commitment to maintain the status quo, of course, cannot be a unilateral effort. Therefore, if a telecommunications carrier seeks to modify the status quo or requests that Ameritech provide, in advance of the Commission's determination, access to an unbundled network element that Ameritech has previously not provided, Ameritech reserves its right to exercise its legal rights at such time with respect to such carrier.

Ameritech believes this commitment to maintain the provisioning status quo will avoid marketplace uncertainty prior to the Commission's issuance of new network element rules.

If you have any questions, please let me know.

Sincerely,

ATTACHMENT E

ALTERNATIVE DISPUTE RESOLUTION

In the Ameritech States, SBC/Ameritech shall implement an ADR process to resolve carrier-to-carrier disputes, including disputes related to interconnection agreements, as follows:

If resolution is not attained upon completion of the dispute resolution process contained in a state commission-approved interconnection agreement, or if the dispute is not subject to resolution under an interconnection agreement, SBC/Ameritech shall, at the option of the other party or parties to the dispute, participate in an ADR process as follows:

a. If a party chooses to invoke these ADR procedures, it shall submit a written request for mediation to the appropriate state commission, with a copy to SBC/Ameritech and any other party or parties involved in the dispute. State commissions shall not be required to mediate disputes under the ADR provisions of this Section.

b. The written request shall include a statement as to whether the dispute affects service or is otherwise exceptionally time-sensitive. If the dispute affects service or is otherwise exceptionally time-sensitive, the written request shall set forth time requirements for resolution, and the time frames stated herein shall be shortened by agreement of the parties to accommodate the requested time requirements, which may not be less than 3 business days.

c. SBC/Ameritech shall attempt to resolve issues affecting multiple CLECs in the same State through consolidated mediations.

d. The parties to the dispute shall each have a person or persons of authority at the dispute resolution table such that a reasonable resolution could be agreed to at the table. In the event the representative(s) of a party come without the authority to agree to a particular item, that party shall commit to provide a response within no more than 2 business days.

e. Any information shared with another party or parties prior to a mediation session shall be faxed to the other party or parties to the dispute at least 24 hours prior to the next mediation session. A copy shall also be provided to the staff of the appropriate state commission.

f. SBC/Ameritech shall have one contact person for all contacts related to a given dispute.

g. SBC/Ameritech shall attend a face-to-face meeting with the disputing party or parties and the staff of the appropriate state commission within one week of the request for mediation. In the event it is not possible to resolve the issue in one session, the parties to the dispute shall agree to a meeting schedule and have all relevant decision makers meet with the other party or parties during the scheduled times.

h. SBC/Ameritech agrees that service to end-user customers shall not be disrupted or otherwise affected by the pendency of an ADR proceeding.

i. SBC/Ameritech shall prohibit their regulatory, legal, and/or wholesale personnel from disclosing to their retail/marketing staff information regarding customers identified during the ADR process concerning the dispute being mediated. If necessary, SBC/Ameritech regulatory, legal, and/or wholesale personnel may contact the customer regarding service or billing-related issues after they have first notified the opposing party or parties in mediation to discuss the need for such contact and to give such party or parties the opportunity to participate in such contact.

j. SBC/Ameritech shall reduce each resolved issue to writing within 5 business days of the resolution. One of the other parties may also agree to reduce the agreement to writing. All subsequent responses/replies shall be due within 3 business days. If the parties have not reduced the resolved issue to an agreed-upon writing within 14 calendar days of the issue's resolution, they shall notify the staff of the appropriate state commission within 5 business days, and any party may request to resume the mediation. Written resolutions of the issues, once agreed upon by the parties, shall be binding upon the parties; a copy of each agreement shall be submitted to the staff of the appropriate state commission upon execution. If an agreement reached requires an amendment or addendum to a previously approved interconnection agreement, SBC/Ameritech shall file the amendment or addendum for approval by the appropriate state commission within 14 calendar days of reaching the written agreement.

k. Communications during the ADR process shall be confidential. SBC/Ameritech shall facilitate the confidentiality of the ADR process, including execution of a reasonable mediation agreement (provided that the other mediating party also agrees to do so as a condition to participating in the mediation process).

Once issues are resolved by the parties, should another carrier in the same State request resolution of the same issue(s), with substantially similar factual circumstances and terms, and with conditions and other contract provisions that are not materially different, SBC/Ameritech shall make the arrangements arrived at through a prior ADR process available to that carrier. Should the appropriate state commission choose not to participate in the ADR process, the parties may mutually agree that a party (not a party to the dispute) may fill the role of the state commission and its staff in the ADR process.

ATTACHMENT F

POTENTIAL OUT-OF-REGION MARKETS

Albany, NY
Albuquerque, NM
Atlanta, GA
Baltimore, MD
Baton Rouge, LA
Birmingham, AL
Boston, MA
Boulder, CO
Buffalo, NY
Cedar Rapids, IA
Charlotte, NC
Cincinnati, OH
Colorado Springs, CO
Denver, CO
Des Moines, IA
Fort Lauderdale, FL
Greensboro, NC
Greenville,SC
Harrisburg, PA
Honolulu, HI
Jacksonville, FL
Las Vegas, NV
Louisville, KY
Memphis, TN
Miami, FL
Middlesex, NJ
Minneapolis-St. Paul, MN
Nashville, TN
Nassau, NY
New Orleans, LA
New York , NY
Newark, NJ
Norfolk, VA
Orlando, FL
Passaic, NJ
Philadelphia, PA
Phoenix, AZ
Pittsburgh, PA
Portland, OR
Raleigh, NC
Richmond, VA

Rochester, NY
Salt Lake City, UT
Seattle, WA
Syracuse, NY
Tampa, FL
Tucson, AZ
Washington, DC
West Palm Beach, FL
Wilmington, DE